



## CONFERENCE COMMITTEE REPORT DIGEST FOR EHB 1001

**Citations Affected:** IC 4-10-22; IC 6-2.5-10-1; IC 6-3.5; IC 6-8.1-3-25; IC 8-14; IC 8-23-30; IC 34-28-5; IC 35-52-6.

**Synopsis:** Road funding. At the end of state fiscal year 2016, transfers state reserves that exceed 11.5% of general revenue appropriations as follows: (1) 55% to the state highway fund. (2) 45% to the local road and bridge matching grant fund. Provides that use tax collected on sales of gasoline is distributed differently than ordinary sales and use tax collections. Allows a county that uses a transportation asset management plan approved by the Indiana department of transportation (department) to impose the county motor vehicle license excise surtax and the county wheel tax at higher rates. Authorizes an eligible municipality to impose a municipal motor vehicle license excise surtax and a municipal wheel tax. Provides for the deposit of certain excise taxes and local taxes collected under the tax amnesty program, including funding for a third regional cities project, thirteenth pension checks in 2016, and next generation Hoosier educators scholarships. Requires a transfer of \$100,000,000 from the state general fund to the state highway fund instead of to the major moves 2020 trust fund in state fiscal year 2017 and provides that the money transferred must be used only for preserving and reconstructing existing roads and bridges for which the department is responsible. Establishes the local road and bridge matching grant fund. Makes appropriations for various highway and bridge maintenance purposes. Provides the following in the case of infraction judgments imposed in Clark County for toll violations after January 1, 2017: (1) The court shall impose a judgment of not less than \$35 for such an infraction judgment. (2) The funds collected for such an infraction judgment shall be transferred to a dedicated toll revenue fund created as part of the project and may be used only to pay the cost of operating, maintaining, and repairing the tolling system. Establishes the funding Indiana's roads for a stronger, safer tomorrow task force (task force). Requires the task force to develop a long term plan for state highway and major bridge needs, including sustainable funding mechanisms for the various components of the plan. Appropriates \$500,000 for the local technical assistance program to assist with the development and operation of local government transportation asset management plans and pavement management plans. **(This conference committee report does the following: (1) Amends the statute concerning the use of excess state reserves to provide that, to the extent state reserves at the end of the state**



fiscal year ending June 30, 2016, are greater than 11.5% of general revenue appropriations, those excess reserves shall be transferred as follows: (A) 55% to the state highway fund. (B) 45% to the local road and bridge matching grant fund. (2) Amends distributions of the gasoline use tax for fiscal years 2017, 2018, and 2019 and thereafter. (3) Specifies the manner in which certain excise taxes and local taxes collected under the tax amnesty program shall be deposited. (4) Allows a county, city, or town to use revenue from the county motor vehicle license excise surtax, county wheel tax, municipal motor vehicle license excise surtax, and the municipal wheel tax to be used for the county's, city's, or town's contribution to obtain a grant from the local road and bridge matching grant fund. (5) Requires a transfer of \$100,000,000 from the state general fund to the state highway fund instead of to the major moves 2020 trust fund in state fiscal year 2017 and provides that the money transferred must be used only for preserving and reconstructing existing roads and bridges for which the department is responsible. (6) Establishes the local road and bridge matching grant fund. (7) Adds three members to the task force. (8) Provides that the task force must develop a long term plan for local road and bridge needs. (9) Deletes provisions amending the purposes for which the money from the local road and street account and the motor vehicle highway account may be used. (10) Deletes provisions imposing supplemental registration fees on electric and hybrid vehicles. (11) Deletes the provision urging the Indiana department of transportation to dedicate a part of U.S. Highway 31 in honor of General Martin Umbarger.)

**Effective:** Upon passage; July 1, 2016.



## CONFERENCE COMMITTEE REPORT

**MR. PRESIDENT:**

*Your Conference Committee appointed to confer with a like committee from the House upon Engrossed Senate Amendments to Engrossed House Bill No. 1001 respectfully reports that said two committees have conferred and agreed as follows to wit:*

that the House recede from its dissent from all Senate amendments and that the House now concur in all Senate amendments to the bill and that the bill be further amended as follows:

- 1 Delete everything after the enacting clause and insert the following:
- 2 SECTION 1. IC 4-10-22-1, AS AMENDED BY P.L.213-2015,
- 3 SECTION 40, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 4 UPON PASSAGE]: Sec. 1. (a) After the end of **the state fiscal year**
- 5 **beginning July 1, 2015, and ending June 30, 2016, and after the end**
- 6 **of each odd-numbered state fiscal year thereafter**, the office of
- 7 management and budget shall calculate in the customary manner the
- 8 total amount of state reserves as of the end of the state fiscal year. The
- 9 office of management and budget shall make the calculation not later
- 10 **than July 31, 2016, and not later** than July 31 of each odd-numbered
- 11 year **thereafter**.
- 12 (b) The office of management and budget may not consider a
- 13 balance in the state tuition reserve account established by
- 14 IC 4-12-1-15.7 when making the calculation required by subsection (a)
- 15 **in 2017 and in an odd-numbered year thereafter**.
- 16 (c) The office of management and budget shall consider a
- 17 **balance in the state tuition reserve account established by**
- 18 **IC 4-12-1-15.7 when making the calculation required by subsection**
- 19 **(a) in 2016.**

SECTION 2. IC 4-10-22-2, AS AMENDED BY P.L.160-2012, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. If:

(1) the total amount of state reserves calculated by the office of management and budget exceeds:

**(A) eleven and five-tenths percent (11.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in calendar year 2016; or**

**(B) twelve and five-tenths percent (12.5%) of the general revenue appropriations for the current state fiscal year, in the case of a calculation made in 2017 and in an odd-numbered year thereafter; and**

(2) the accounts payable by the state at the end of the preceding state fiscal year are not unusually large as a percentage of the total amount of state reserves (as compared to recent history);

the governor shall make a presentation to the state budget committee regarding the disposition of excess state reserves under section 3 of this chapter. The presentation must be made not later **than September 30, 2016, not later than September 30, 2017, and not later than** September 30 of each odd-numbered year **thereafter**.

SECTION 3. IC 4-10-22-3, AS AMENDED BY P.L.91-2014, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. **(a) This subsection does not apply in calendar year 2016.** If, after completing the presentation to the state budget committee described in section 2 of this chapter, the amount of the excess reserves is fifty million dollars (\$50,000,000) or more, the governor shall do the following:

(1) If the year is calendar year 2013, transfer one hundred percent (100%) of the excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund. If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, transfer fifty percent (50%) of any excess reserves to the pension stabilization fund established by IC 5-10.4-2-5 for the purposes of the pension stabilization fund.

(2) If the year is calendar year 2014 or **the calendar year is 2017 or an odd-numbered year** thereafter, use fifty percent (50%) of any excess reserves for the purposes of providing an automatic taxpayer refund under section 4 of this chapter.

**(b) This subsection applies in calendar year 2016. If excess reserves exist, and after completing the calculation required in section 1 of this chapter and the presentation to the state budget committee described in section 2 of this chapter, the governor shall transfer one hundred percent (100%) of the excess reserves as follows:**

**(1) Fifty-five percent (55%) of the excess reserves transferred shall be transferred to the state highway fund.**

**(2) Forty-five percent (45%) of the excess reserves transferred shall be transferred to the local road and bridge matching grant fund established by IC 8-23-30.**

1 This transfer shall be made from the state general fund. Money  
 2 transferred to the state highway fund under this subsection is  
 3 appropriated from the state highway fund to the Indiana  
 4 department of transportation for the Indiana department of  
 5 transportation's use for preserving and reconstructing existing  
 6 state highways and bridges for which the Indiana department of  
 7 transportation is responsible. Money transferred to the state  
 8 highway fund under this subsection does not revert to the state  
 9 general fund at the end of a state fiscal year.

10 SECTION 4. IC 6-2.5-10-1, AS AMENDED BY P.L.205-2013,  
 11 SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 12 JULY 1, 2016]: Sec. 1. (a) The department shall account for all state  
 13 gross retail and use taxes that it collects.

14 (b) Of all the state gross retail and use taxes that the department  
 15 collects, the department shall determine separately the parts that:

- 16 (1) the department collects under IC 6-2.5-3.5; and
- 17 (2) the department collects under this article, less the amount
- 18 described in subdivision (1).

19 (c) The department shall deposit the collections described in  
 20 subsection (b)(1) in the following manner:

21 (1) For state fiscal year 2017, the following:

22 (A) Fourteen and two hundred eighty-six thousandths  
 23 percent (14.286%) of the collections shall be deposited in  
 24 the motor vehicle highway account established under  
 25 IC 8-14-1.

26 (B) Eighty-five and seven hundred fourteen thousandths  
 27 percent (85.714%) to the state general fund.

28 (2) For state fiscal year 2018, the following:

29 (A) Fourteen and two hundred eighty-six thousandths  
 30 percent (14.286%) of the collections shall be deposited in  
 31 the motor vehicle highway account established under  
 32 IC 8-14-1.

33 (B) Fourteen and two hundred eighty-six thousandths  
 34 percent (14.286%) of the collections shall be deposited in  
 35 the local road and bridge matching grant fund established  
 36 under IC 8-23-30.

37 (C) Seventy-one and four hundred twenty-eight  
 38 thousandths percent (71.428%) to the state general fund.

39 (3) For state fiscal year 2019 and thereafter, the following:

40 (A) Fourteen and two hundred eighty-six thousandths  
 41 percent (14.286%) of the collections shall be deposited in  
 42 the motor vehicle highway account established under  
 43 IC 8-14-1.

44 (B) Twenty-one and four hundred twenty-nine thousandths  
 45 percent (21.429%) of the collections shall be deposited in  
 46 the local road and bridge matching grant fund established  
 47 under IC 8-23-30.

48 (C) Sixty-four and two hundred eighty-five thousandths  
 49 percent (64.285%) to the state general fund.

50 ~~(b)~~ (d) The department shall deposit those collections described in  
 51 subsection (b)(2) in the following manner:

(1) ~~Ninety-eight~~ **Ninety-nine** and eight hundred ~~forty-eight~~ **thirty-eight** thousandths percent (~~98.848%~~) (**99.838%**) of the collections shall be paid into the state general fund.

(2) ~~One percent (1%) of the collections shall be deposited in the motor vehicle highway account established under IC 8-14-1.~~

(3) ~~(2) Twenty-nine thousandths of one percent (0.029%)~~ **Thirty-one thousandths of one percent (0.031%)** of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(4) ~~(3) One hundred twenty-three~~ **thirty-one** thousandths of one percent (~~0.123%~~) (**0.131%**) of the collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

SECTION 5. IC 6-3.5-4-1, AS AMENDED BY P.L.205-2013, SECTION 85, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. ~~As used in~~ **The following definitions apply throughout** this chapter:

(1) "Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a surtax first.

(2) "Branch office" means a branch office of the bureau of motor vehicles.

(3) "County council" includes the city-county council of a county that contains a consolidated city of the first class.

(4) "Motor vehicle" means a vehicle which is subject to the annual license excise tax imposed under IC 6-6-5.

(5) "Net annual license excise tax" means the tax due under IC 6-6-5 after the application of the adjustments and credits provided by that chapter.

(6) "Surtax" means the annual license excise surtax imposed by an adopting entity under this chapter.

(7) **"Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.**

SECTION 6. IC 6-3.5-4-2, AS AMENDED BY P.L.249-2015, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) An adopting entity of any county may, subject to the limitation imposed by subsection ~~(d)~~, **(f)**, adopt an ordinance to impose an annual license excise surtax on each motor vehicle listed in subsection ~~(e)~~ **(e)** that is registered in the county.

**(b) If a county does not use a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:**

(1) at a rate of not less than two percent (2%) nor more than ten percent (10%); or

(2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than twenty-five dollars (\$25).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance which imposes the tax.

(c) If a county uses a transportation asset management plan approved by the Indiana department of transportation, the adopting entity of the county may impose the surtax either:

(1) at a rate of at least two percent (2%) and not more than twenty percent (20%); or

(2) at a specific amount of at least seven dollars and fifty cents (\$7.50) and not more than fifty dollars (\$50).

However, the surtax on a vehicle may not be less than seven dollars and fifty cents (\$7.50). The adopting entity shall state the surtax rate or amount in the ordinance that imposes the tax.

~~(b)~~ (d) Subject to the limits and requirements of this section, the adopting entity may do any of the following:

(1) Impose the annual license excise surtax at the same rate or amount on each motor vehicle that is subject to the tax.

(2) Impose the annual license excise surtax on vehicles subject to the tax at one (1) or more different rates based on the class of vehicle listed in subsection ~~(c)~~: (e).

~~(c)~~ (e) The license excise surtax applies to the following vehicles:

(1) Passenger vehicles.

(2) Motorcycles.

(3) Trucks with a declared gross weight that does not exceed eleven thousand (11,000) pounds.

(4) Motor driven cycles.

~~(d)~~ (f) The adopting entity may not adopt an ordinance to impose the surtax unless it concurrently adopts an ordinance under IC 6-3.5-5 to impose the wheel tax.

~~(e)~~ (g) Notwithstanding any other provision of this chapter or IC 6-3.5-5, ordinances adopted by a county council before June 1, 2013, to impose or change the annual license excise surtax and the annual wheel tax in the county remain in effect until the ordinances are amended or repealed under this chapter or IC 6-3.5-5.

SECTION 7. IC 6-3.5-4-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 13. (a) In the case of a county that does not contain a consolidated city of the first class, the county treasurer shall deposit the surtax revenues in a fund to be known as the "\_\_\_\_\_ County Surtax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county surtax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county surtax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the surtax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction; or

(2) for the county's, city's, or town's contribution to obtain a

grant from the local road and bridge matching grant fund under IC 8-23-30.

SECTION 8. IC 6-3.5-5-1, AS AMENDED BY P.L.205-2013, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 1. **As used in The following definitions apply throughout** this chapter:

(1) "Adopting entity" means either the county council or the county income tax council established by IC 6-3.5-6-2 for the county, whichever adopts an ordinance to impose a wheel tax first.

(2) "Branch office" means a branch office of the bureau of motor vehicles.

(3) "Bus" has the meaning set forth in IC 9-13-2-17(a).

(4) "Commercial ~~motor~~ vehicle" has the meaning set forth in IC 6-6-5.5-1(c).

(5) "County council" includes the city-county council of a county that contains a consolidated city of the first class.

(6) "In-state miles" has the meaning set forth in IC 6-6-5.5-1(i).

(7) "Political subdivision" has the meaning set forth in IC 34-6-2-110.

(8) "Recreational vehicle" has the meaning set forth in IC 9-13-2-150.

(9) "Semitrailer" has the meaning set forth in IC 9-13-2-164(a).

(10) "State agency" has the meaning set forth in IC 34-6-2-141.

(11) "Tractor" has the meaning set forth in IC 9-13-2-180.

(12) "Trailer" has the meaning set forth in IC 9-13-2-184(a).

**(13) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.**

(14) "Truck" has the meaning set forth in IC 9-13-2-188(a).

(15) "Wheel tax" means the tax imposed under this chapter.

SECTION 9. IC 6-3.5-5-2, AS AMENDED BY P.L.205-2013, SECTION 94, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 2. (a) The adopting entity of any county may, subject to the limitation imposed by subsection (b), adopt an ordinance to impose an annual wheel tax on each vehicle that:

(1) is included in one (1) of the classes of vehicles listed in section 3 of this chapter;

(2) is not exempt from the wheel tax under section 4 of this chapter; and

(3) is registered in the county.

(b) The adopting entity of a county may not adopt an ordinance to impose the wheel tax unless it concurrently adopts an ordinance under IC 6-3.5-4 to impose the annual license excise surtax.

(c) The adopting entity may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the adopting entity may establish different rates within the classes of buses, semitrailers, trailers, tractors, and trucks based on weight classifications of those vehicles that are established by the bureau of motor vehicles for use throughout Indiana. However, the



wheel tax rate for a particular class or weight classification of vehicles:

(1) may not be less than five dollars (\$5) and may not exceed forty dollars (\$40), **if the county does not use a transportation asset management plan approved by the Indiana department of transportation; or**

(2) may not be less than five dollars (\$5) and may not exceed eighty dollars (\$80), **if the county uses a transportation asset management plan approved by the Indiana department of transportation.**

The adopting entity shall state the initial wheel tax rates in the ordinance that imposes the tax.

SECTION 10. IC 6-3.5-5-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 15. (a) In the case of a county that does not contain a consolidated city, the county treasurer shall deposit the wheel tax revenues in a fund to be known as the "County Wheel Tax Fund".

(b) Before the twentieth day of each month, the county auditor shall allocate the money deposited in the county wheel tax fund during that month among the county and the cities and the towns in the county. The county auditor shall allocate the money to counties, cities, and towns under IC 8-14-2-4(c)(1) through IC 8-14-2-4(c)(3).

(c) Before the twenty-fifth day of each month, the county treasurer shall distribute to the county and the cities and towns in the county the money deposited in the county wheel tax fund during that month. The county treasurer shall base the distribution on allocations made by the county auditor for that month under subsection (b).

(d) A county, city, or town may only use the wheel tax revenues it receives under this section:

(1) to construct, reconstruct, repair, or maintain streets and roads under its jurisdiction; ~~or~~

(2) as a contribution to an authority established under IC 36-7-23; **or**

**(3) for the county's, city's, or town's contribution to obtain a grant from the local road and bridge matching grant fund under IC 8-23-30.**

SECTION 11. IC 6-3.5-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

#### **Chapter 10. Municipal Motor Vehicle License Excise Surtax**

##### **Sec. 1. The following definitions apply throughout this chapter:**

(1) "Adopting municipality" means an eligible municipality that has adopted the surtax.

(2) "Eligible municipality" means a municipality having a population of at least ten thousand (10,000).

(3) "Fiscal body" has the meaning set forth in IC 36-1-2-6.

(4) "Fiscal officer" has the meaning set forth in IC 36-1-2-7.

(5) "Motor vehicle" means a vehicle that is subject to the annual license excise tax imposed under IC 6-6-5.

(6) "Municipality" has the meaning set forth in IC 36-1-2-11.

(7) "Surtax" means the annual license excise surtax imposed by the fiscal body of an eligible municipality under this

chapter.

(8) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.

Sec. 2. (a) The fiscal body of an eligible municipality may, subject to subsections (d) and (e), adopt an ordinance to impose an annual license excise surtax on each motor vehicle listed in subsection (c) that is registered in the eligible municipality. The eligible municipality may impose the surtax at a specific amount of:

(1) at least seven dollars and fifty cents (\$7.50); and

(2) not more than twenty-five dollars (\$25).

The eligible municipality shall state the surtax rate or amount in the ordinance that imposes the tax.

(b) Subject to the limits and requirements of this section, the fiscal body of an eligible municipality may do any of the following:

(1) Impose the annual license excise surtax at the same amount on each motor vehicle that is subject to the tax.

(2) Impose the annual license excise surtax on vehicles subject to the tax at one (1) or more different amounts based on the class of vehicle listed in subsection (c).

(c) The license excise surtax applies to the following vehicles:

(1) Passenger vehicles.

(2) Motorcycles.

(3) Trucks with a declared gross weight that does not exceed eleven thousand (11,000) pounds.

(4) Motor driven cycles.

(d) The fiscal body of an eligible municipality may not adopt an ordinance to impose the surtax unless the fiscal body concurrently adopts an ordinance under IC 6-3.5-11 to impose the municipal wheel tax.

(e) The fiscal body of an eligible municipality may not adopt an ordinance to impose the surtax unless the eligible municipality uses a transportation asset management plan approved by the Indiana department of transportation.

Sec. 3. If the fiscal body of an eligible municipality adopts an ordinance imposing the surtax after December 31 but before July 1 of the following year, a motor vehicle is subject to the tax if the motor vehicle is registered in the adopting municipality after December 31 of the year in which the ordinance is adopted. If the fiscal body of an eligible municipality adopts an ordinance imposing the surtax after June 30 but before the following January 1, a motor vehicle is subject to the tax if the motor vehicle is registered in the adopting municipality after December 31 of the year following the year in which the ordinance is adopted. However, in the first year the surtax is effective, the surtax does not apply to the registration of a motor vehicle for the registration year that commenced in the calendar year preceding the year the surtax is first effective.

Sec. 4. (a) After January 1 but before July 1 of any year, the fiscal body of an adopting municipality may, subject to the

1 limitations imposed by subsection (b), adopt an ordinance to  
 2 rescind the surtax. If a fiscal body adopts an ordinance to rescind  
 3 the surtax, the surtax does not apply to a motor vehicle registered  
 4 after December 31 of the year in which the ordinance is adopted.

5 (b) A fiscal body may not adopt an ordinance to rescind the  
 6 surtax unless the fiscal body concurrently adopts an ordinance  
 7 under IC 6-3.5-11 to rescind the municipal wheel tax.

8 **Sec. 5.** The fiscal body of an adopting municipality may adopt  
 9 an ordinance to increase or decrease the surtax amount. The new  
 10 surtax amount must be within the range of amounts prescribed by  
 11 section 2 of this chapter. A new amount that is established by an  
 12 ordinance that is adopted after December 31 but before July 1 of  
 13 the following year applies to motor vehicles registered after  
 14 December 31 of the year in which the ordinance to change the  
 15 amount is adopted. A new amount that is established by an  
 16 ordinance that is adopted after June 30 but before January 1 of the  
 17 following year applies to motor vehicles registered after December  
 18 31 of the year following the year in which the ordinance is adopted.

19 **Sec. 6.** If the fiscal body of an eligible municipality adopts an  
 20 ordinance to impose, rescind, or change the amount of the surtax,  
 21 the fiscal body shall send a copy of the ordinance to the  
 22 commissioner of the bureau of motor vehicles.

23 **Sec. 7.** A person may not register a motor vehicle in an adopting  
 24 municipality unless the person pays the surtax due, if any, to the  
 25 bureau of motor vehicles. The amount of the surtax due equals the  
 26 amount established under section 2 of this chapter. The bureau of  
 27 motor vehicles shall collect the surtax due, if any, at the time a  
 28 motor vehicle is registered.

29 **Sec. 8. (a)** If a vehicle has been acquired or brought into  
 30 Indiana, or for any other reason becomes subject to registration  
 31 after the regular annual registration date in the year on or before  
 32 which the owner of the vehicle is required under the motor vehicle  
 33 registration laws of Indiana to register vehicles, the amount of the  
 34 surtax shall be reduced in the same manner as the excise tax is  
 35 reduced under IC 6-6-5-7.2.

36 (b) The owner of a vehicle who sells the vehicle in a year in  
 37 which the owner has paid the surtax imposed by this chapter is  
 38 entitled to receive a credit that is calculated in the same manner  
 39 and subject to the same requirements as the credit for the excise  
 40 tax under IC 6-6-5-7.2.

41 (c) If the name of the owner of a vehicle is legally changed and  
 42 the change has caused a change in the owner's annual registration  
 43 date, the surtax liability of the owner shall be adjusted in the same  
 44 manner as excise taxes are adjusted under IC 6-6-5-7.2.

45 **Sec. 9.** On or before the tenth day of the month following the  
 46 month in which the surtax is collected, the bureau of motor vehicles  
 47 shall remit the surtax to the fiscal officer of the adopting  
 48 municipality that imposed the surtax. Concurrently with the  
 49 remittance, the bureau of motor vehicles shall file a surtax  
 50 collections report prepared on forms prescribed by the state board  
 51 of accounts with the fiscal officer of the adopting municipality.

1       **Sec. 10. (a) The fiscal officer of an adopting municipality shall**  
 2       **deposit the surtax revenues in a fund to be known as the**  
 3       **"municipal surtax fund".**

4       **(b) An adopting municipality may use the surtax revenues that**  
 5       **the adopting municipality receives under this section:**

6               **(1) to construct, reconstruct, repair, or maintain streets and**  
 7               **roads under the adopting municipality's jurisdiction; or**

8               **(2) for the county's, city's, or town's contribution to obtain a**  
 9               **grant from the local road and bridge matching grant fund**  
 10              **under IC 8-23-30.**

11       **Sec. 11. On or before August 1 of each year, the fiscal officer of**  
 12       **an adopting municipality shall provide the fiscal body of the**  
 13       **adopting municipality with an estimate of the surtax revenues to be**  
 14       **received by the adopting municipality during the next calendar**  
 15       **year. The adopting municipality shall include the estimated surtax**  
 16       **revenues in the adopting municipality's budget estimate for the**  
 17       **calendar year.**

18       **Sec. 12. The department or the bureau of motor vehicles, as**  
 19       **applicable, may impose a service charge under IC 9-29 for each**  
 20       **surtax collected under this chapter.**

21       **Sec. 13. (a) The owner of a motor vehicle who knowingly**  
 22       **registers the vehicle without paying the surtax imposed under this**  
 23       **chapter with respect to that registration commits a Class B**  
 24       **misdemeanor.**

25       **(b) An employee of the bureau of motor vehicles who recklessly**  
 26       **issues a registration on any motor vehicle without collecting the**  
 27       **surtax imposed under this chapter with respect to that registration**  
 28       **commits a Class B misdemeanor.**

29       **SECTION 12. IC 6-3.5-11 IS ADDED TO THE INDIANA CODE**  
 30       **AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE**  
 31       **UPON PASSAGE]:**

#### 32       **Chapter 11. Municipal Wheel Tax**

33       **Sec. 1. The following definitions apply throughout this chapter:**

34               **(1) "Adopting municipality" means an eligible municipality**  
 35               **that has adopted the wheel tax.**

36               **(2) "Branch office" means a branch office of the bureau of**  
 37               **motor vehicles.**

38               **(3) "Bus" has the meaning set forth in IC 9-13-2-17(a).**

39               **(4) "Commercial vehicle" has the meaning set forth in**  
 40               **IC 6-6-5.5-1(c).**

41               **(5) "Department" refers to the department of state revenue.**

42               **(6) "Eligible municipality" means a municipality having a**  
 43               **population of at least ten thousand (10,000).**

44               **(7) "In-state miles" has the meaning set forth in**  
 45               **IC 6-6-5.5-1(i).**

46               **(8) "Political subdivision" has the meaning set forth in**  
 47               **IC 34-6-2-110.**

48               **(9) "Recreational vehicle" has the meaning set forth in**  
 49               **IC 9-13-2-150.**

50               **(10) "Semitrailer" has the meaning set forth in**  
 51               **IC 9-13-2-164(a).**

(11) "State agency" has the meaning set forth in IC 34-6-2-141.

(12) "Tractor" has the meaning set forth in IC 9-13-2-180.

(13) "Trailer" has the meaning set forth in IC 9-13-2-184(a).

(14) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.

(15) "Truck" has the meaning set forth in IC 9-13-2-188(a).

(16) "Wheel tax" means the tax imposed under this chapter.

Sec. 2. (a) The fiscal body of an eligible municipality may, subject to subsections (b) and (c), adopt an ordinance to impose an annual wheel tax on each vehicle that:

(1) is included in one (1) of the classes of vehicles listed in section 3 of this chapter;

(2) is not exempt from the wheel tax under section 4 of this chapter; and

(3) is registered in the eligible municipality.

(b) The fiscal body of an eligible municipality may not adopt an ordinance to impose the wheel tax unless the fiscal body concurrently adopts an ordinance under IC 6-3.5-10 to impose the annual license excise surtax.

(c) The fiscal body of an eligible municipality may not adopt an ordinance to impose the wheel tax unless the eligible municipality uses a transportation asset management plan approved by the Indiana department of transportation.

(d) The fiscal body of an eligible municipality may impose the wheel tax at a different rate for each of the classes of vehicles listed in section 3 of this chapter. In addition, the fiscal body may establish different rates within the classes of buses, recreational vehicles, semitrailers, trailers, tractors, and trucks based on weight classifications of those vehicles that are established by the bureau of motor vehicles for use throughout Indiana. However, the wheel tax rate for a particular class or weight classification of vehicles may not be less than five dollars (\$5) and may not exceed forty dollars (\$40). The fiscal body shall state the initial wheel tax rates in the ordinance that imposes the tax.

Sec. 3. The wheel tax applies to the following classes of vehicles:

(1) Buses.

(2) Recreational vehicles.

(3) Semitrailers.

(4) Tractors.

(5) Trailers.

(6) Trucks.

Sec. 4. A vehicle is exempt from the wheel tax imposed under this chapter if the vehicle is:

(1) owned by the state;

(2) owned by a state agency of the state;

(3) owned by a political subdivision of the state;

(4) subject to the annual license excise surtax imposed under IC 6-3.5-10; or

(5) a bus owned and operated by a religious or nonprofit

1 youth organization and used to transport persons to religious  
2 services or for the benefit of its members.

3 **Sec. 5.** If the fiscal body of an eligible municipality adopts an  
4 ordinance imposing the wheel tax after December 31 but before  
5 July 1 of the following year, a vehicle described in section 2(a) of  
6 this chapter is subject to the tax if the vehicle is registered in the  
7 adopting municipality after December 31 of the year in which the  
8 ordinance is adopted. If a fiscal body adopts an ordinance imposing  
9 the wheel tax after June 30 but before the following January 1, a  
10 vehicle described in section 2(a) of this chapter is subject to the tax  
11 if the vehicle is registered in the adopting municipality after  
12 December 31 of the year following the year in which the ordinance  
13 is adopted. However, in the first year the tax is effective, the tax  
14 does not apply to the registration of a motor vehicle for the  
15 registration year that commenced in the calendar year preceding  
16 the year the tax is first effective.

17 **Sec. 6. (a)** After January 1 but before July 1 of any year, the  
18 fiscal body of an adopting municipality may, subject to the  
19 limitations imposed by subsection (b), adopt an ordinance to  
20 rescind the wheel tax. If a fiscal body adopts an ordinance to  
21 rescind the wheel tax, the wheel tax does not apply to a vehicle  
22 registered after December 31 of the year the ordinance is adopted.

23 **(b)** The fiscal body of an adopting municipality may not adopt  
24 an ordinance to rescind the wheel tax unless the fiscal body  
25 concurrently adopts an ordinance under IC 6-3.5-10 to rescind the  
26 annual license excise surtax.

27 **Sec. 7.** The fiscal body of an adopting municipality may adopt  
28 an ordinance to increase or decrease the wheel tax rates. The new  
29 wheel tax rates must be within the range of rates prescribed by  
30 section 2 of this chapter. New rates that are established by an  
31 ordinance that is adopted after December 31 but before July 1 of  
32 the following year apply to vehicles registered after December 31  
33 of the year in which the ordinance to change the rates is adopted.  
34 New rates that are established by an ordinance that is adopted  
35 after June 30 but before July 1 of the following year apply to motor  
36 vehicles registered after December 31 of the year following the  
37 year in which the ordinance is adopted.

38 **Sec. 8.** If the fiscal body of an eligible municipality adopts an  
39 ordinance to impose, rescind, or change the rates of the wheel tax,  
40 the fiscal body shall send a copy of the ordinance to:

- 41 (1) the commissioner of the bureau of motor vehicles; and
- 42 (2) the department of state revenue.

43 **Sec. 9. (a)** Every owner of a vehicle for which the wheel tax has  
44 been paid for the owner's registration year is entitled to a credit if  
45 during that registration year the owner sells the vehicle. The  
46 amount of the credit equals the wheel tax paid by the owner for the  
47 vehicle that was sold. The credit may be applied by the owner only  
48 against the wheel tax owed for a vehicle that is purchased during  
49 the same registration year.

50 **(b)** An owner of a vehicle is not entitled to a refund of any part  
51 of a credit that is not used under this section.

1       **Sec. 10.** A person may not register a vehicle in an adopting  
 2 municipality unless the person pays the wheel tax due, if any, to the  
 3 bureau of motor vehicles. The amount of the wheel tax due is based  
 4 on the wheel tax rate, for that class of vehicle, in effect at the time  
 5 of registration. The bureau of motor vehicles shall collect the wheel  
 6 tax due, if any, at the time a motor vehicle is registered. The  
 7 department or the bureau of motor vehicles, as applicable, may  
 8 impose a service charge under IC 9-29 for each wheel tax collection  
 9 made under this chapter.

10       **Sec. 11. (a)** An owner of one (1) or more commercial vehicles  
 11 paying an apportioned registration to the state under the  
 12 International Registration Plan that is required to pay a wheel tax  
 13 shall pay an apportioned wheel tax calculated by dividing in-state  
 14 actual miles by total fleet miles generated during the preceding  
 15 year. If in-state miles are estimated for purposes of proportional  
 16 registration, these miles are divided by total actual and estimated  
 17 fleet miles. The apportioned wheel tax under this section shall be  
 18 paid at the same time and in the same manner as the commercial  
 19 vehicle excise tax under IC 6-6-5.5.

20       **(b)** A voucher from the department showing payment of the  
 21 wheel tax may be accepted by the bureau of motor vehicles instead  
 22 of the payment required under section 10 of this chapter.

23       **Sec. 12.** On or before the tenth day of the month following the  
 24 month in which the wheel tax is collected, the bureau of motor  
 25 vehicles shall remit the wheel tax to the fiscal officer of the  
 26 adopting municipality that imposed the wheel tax. Concurrently  
 27 with the remittance, the bureau shall file a wheel tax collections  
 28 report prepared on forms prescribed by the state board of  
 29 accounts with the fiscal officer of the adopting municipality.

30       **Sec. 13. (a)** If the wheel tax is collected directly by the bureau of  
 31 motor vehicles instead of at a branch office, the commissioner of  
 32 the bureau shall:

33       **(1)** remit the wheel tax to, and file a wheel tax collections  
 34 report with, the fiscal officer of the appropriate municipality;  
 35 and

36       **(2)** file a wheel tax collections report with the fiscal officer of  
 37 the appropriate municipality;

38 in the same manner and at the same time that a branch office  
 39 manager is required to remit and report under section 12 of this  
 40 chapter.

41       **(b)** If the wheel tax for a commercial vehicle is collected directly  
 42 by the department, the commissioner of the department shall:

43       **(1)** remit the wheel tax to, and file a wheel tax collections  
 44 report with, the fiscal officer of the appropriate municipality;  
 45 and

46       **(2)** file a wheel tax collections report with the fiscal officer of  
 47 the appropriate municipality;

48 in the same manner and at the same time that a branch office  
 49 manager is required to remit and report under section 12 of this  
 50 chapter.

51       **Sec. 14. (a)** The fiscal officer of an adopting municipality shall

1 deposit the wheel tax revenues in a fund to be known as the  
2 "municipal wheel tax fund".

3 (b) An adopting municipality may use the wheel tax revenues  
4 that the municipality receives under this section only:

5 (1) to construct, reconstruct, repair, or maintain streets and  
6 roads under its jurisdiction;

7 (2) as a contribution to an authority established under  
8 IC 36-7-23; or

9 (3) for the county's, city's, or town's contribution to obtain a  
10 grant from the local road and bridge matching grant fund  
11 under IC 8-23-30.

12 Sec. 15. On or before August 1 of each year, the fiscal officer of  
13 an adopting municipality shall provide the fiscal body of the  
14 adopting municipality with an estimate of the wheel tax revenues  
15 to be received by the adopting municipality during the next  
16 calendar year. The adopting municipality shall include the  
17 estimated wheel tax revenues in the adopting municipality's budget  
18 estimate for the calendar year.

19 Sec. 16. (a) The owner of a vehicle who knowingly registers the  
20 vehicle without paying the wheel tax imposed under this chapter  
21 with respect to that registration commits a Class B misdemeanor.

22 (b) An employee of the bureau of motor vehicles who recklessly  
23 issues a registration on any vehicle without collecting the wheel tax  
24 imposed under this chapter with respect to that registration  
25 commits a Class B misdemeanor.

26 SECTION 13. IC 6-8.1-3-25, AS ADDED BY P.L.213-2015,  
27 SECTION 93, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
28 UPON PASSAGE]: Sec. 25. Notwithstanding any other law, the  
29 department shall deposit the amounts collected under a tax amnesty  
30 program carried out under section 17 of this chapter after June 30,  
31 2015, as follows:

32 (1) County income tax collected under IC 6-3.5-1.1, IC 6-3.5-6,  
33 or IC 6-3.5-7 (repealed January 1, 2017) shall be distributed  
34 to counties in the same manner as otherwise provided by the  
35 appropriate chapter of the Indiana Code.

36 (2) Eight percent (8%) of inheritance tax collected for  
37 resident decedents shall be distributed to counties in the  
38 manner provided under IC 6-4.1-9-6.

39 (3) County innkeeper's tax collected shall be deposited as  
40 required by IC 6-9.

41 (4) County and municipal food and beverage tax collected  
42 shall be deposited as required by IC 6-9.

43 (5) County admissions taxes collected shall be deposited as  
44 required by IC 6-9-13 and IC 6-9-28.

45 (6) Aircraft license excise tax collected shall be deposited as  
46 required by IC 6-6-6.5-21.

47 (7) Auto rental excise tax collected shall be deposited as  
48 required by IC 6-6-9-11.

49 (8) Supplemental auto rental excise tax shall be deposited as  
50 otherwise required by the appropriate chapter of the Indiana  
51 Code.



**(9) Financial institutions tax collected shall be deposited as required by IC 6-5.5-8-2.**

**(+) (10) After making the deposits required under subdivisions (1) through (9), the first eighty-four million dollars (\$84,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2.**

**(2) (11) After making the deposits required under ~~subdivision~~ subdivisions (1) through (10), the next six million dollars (\$6,000,000) collected shall be transferred to the Indiana department of transportation to reimburse the Indiana department of transportation for money expended by the Indiana department of transportation under IC 8-23-2-18.5 for the operation of the Hoosier State Rail Line. However, the total amount transferred under this subdivision to the Indiana department of transportation may not exceed the lesser of:**

**(A) six million dollars (\$6,000,000); or**

**(B) the total amount expended by the Indiana department of transportation under IC 8-23-2-18.5 for the operation of the Hoosier State Rail Line after June 30, 2015, and before July 1, 2017.**

**(12) After making the deposits required under subdivisions (1) through (11), the next forty-two million dollars (\$42,000,000) collected must be deposited into the Indiana regional cities development fund established by IC 5-28-38-2. The amount deposited under this subdivision is appropriated to the Indiana economic development corporation for the purposes of the Indiana regional cities development fund.**

**(13) After making the deposits required under subdivisions (1) through (12), the next twenty-nine million eight hundred seventy thousand dollars (\$29,870,000) shall be transferred as follows:**

**(A) Eight million seven hundred thousand dollars (\$8,700,000) to the Indiana public retirement system for credit to the Indiana public employees retirement fund established by IC 5-10.3-2-1.**

**(B) Twenty million seven hundred thousand dollars (\$20,700,000) to the Indiana public retirement system for credit to the pre-1996 account of the Indiana state teacher's retirement fund established by IC 5-10.4-2-1.**

**(C) Seventy thousand dollars (\$70,000) to the Indiana public retirement system for credit to the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan established by IC 5-10.5-3-1.**

**(D) Two hundred thousand dollars (\$200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police pre-1987 benefit system.**

**(E) Two hundred thousand dollars (\$200,000) to the treasurer of state for credit to the trust fund under IC 10-12-1-11 for the state police 1987 benefit system.**

**The amounts transferred under this subdivision shall be used**

to pay costs that must be paid for any thirteenth check payments or similar supplemental check payments that are enacted by the general assembly and made to the members and beneficiaries of a public pension plan under HEA 1161-2016. The amounts transferred under this subdivision are appropriated for the purposes of this subdivision.

(14) After making the deposits required under subdivisions (1) through (13), the next ten million dollars (\$10,000,000) shall be deposited into the next generation Hoosier educators scholarship fund established by IC 21-12-16-3.

~~(15)~~ Any remaining amounts collected must be deposited into the state general fund.

SECTION 14. IC 8-14-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) A qualified county which:

(1) has adopted the county motor vehicle excise surtax under IC 6-3.5-4 and the county wheel tax under IC 6-3.5-5;

(2) is imposing the county motor vehicle excise surtax at:

(A) the maximum allowable rate, if the qualified county sets a county motor vehicle excise surtax rate under ~~IC 6-3.5-4-2(a)(1);~~ IC 6-3.5-4-2(b)(1) or IC 6-3.5-4-2(c)(1); or

(B) ~~at the maximum allowable amount, of not less than twenty dollars (\$20);~~ if the qualified county sets the county motor vehicle excise surtax at a specific amount under ~~IC 6-3.5-4-2(a)(2);~~ IC 6-3.5-4-2(b)(2) or IC 6-3.5-4-2(c)(2); and

(3) has not issued bonds under IC 8-14-9;

may apply to the Indiana department of transportation for a loan from the distressed road fund. At the time of the application, the county shall notify the department of local government finance that it has made the application.

(b) The application must include, at a minimum:

(1) a map depicting all roads and streets in the system of the applicant; and

(2) a copy of that county's proposed program of work covering the current and the immediately following calendar year.

SECTION 15. IC 8-14-14.1-5, AS ADDED BY P.L.213-2015, SECTION 102, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) After review by the budget committee, the budget agency may, after June 30, 2015, and before July 1, 2016, direct the auditor of state to transfer not more than one hundred million dollars (\$100,000,000) to the fund from the state general fund. If the budget agency directs the auditor of state to make such a transfer, the auditor of state shall transfer to the fund the amount determined by the budget agency. There is appropriated from the state general fund an amount sufficient to make the transfer under this subsection.

(b) ~~After review by the budget committee, the budget agency may,~~ After June 30, 2016, and before July 1, 2017, ~~direct~~ the auditor of state to **shall** transfer ~~not more than~~ one hundred million dollars

(\\$100,000,000) to the **state highway fund created by IC 8-23-9-54** from the state general fund. ~~If the budget agency directs the auditor of state to make such a transfer, the auditor of state shall transfer to the fund the amount determined by the budget agency.~~ There is appropriated from the state general fund an amount sufficient to make the transfer under this subsection.

(c) Notwithstanding section 3(e) of this chapter, if one (1) or more transfers under subsection (a) ~~or (b)~~ are made to the fund, the budget agency may after review by the budget committee transfer from the fund to the major moves construction fund established by IC 8-14-14-5 an amount equal to the lesser of:

- (1) ~~two one~~ hundred million dollars ~~(\$200,000,000);~~  
**(\$100,000,000);** or
- (2) the total amount of any transfers under subsection (a) ~~or (b)~~ that are made to the fund.

(d) Money that is transferred as described in subsection (c) may be used for any purpose of the major moves construction fund.

**(e) Notwithstanding section 3(e) of this chapter, the transfer under subsection (b) to the state highway fund must be used only for preserving or reconstructing existing state highways and bridges for which the department is responsible.**

SECTION 16. IC 8-23-30 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

### **Chapter 30. Local Road and Bridge Matching Grant Fund**

#### **Sec. 1. The following definitions apply throughout this chapter:**

- (1) "Eligible project" means a project:
  - (A) that is undertaken by a local unit;
  - (B) that repairs or increases the capacity of local roads and bridges; and
  - (C) that is part of the local unit's transportation asset management plan.
- (2) "Fund" refers to the local road and bridge matching grant fund established by section 2 of this chapter.
- (3) "Local unit" means a county or municipality.
- (4) "Transportation asset management plan" includes planning for drainage systems and rights-of-way that affect transportation assets.

**Sec. 2. (a) The local road and bridge matching grant fund is established to provide matching grants to local units for eligible projects.**

**(b) The department shall administer the fund.**

**(c) The fund consists of the following:**

- (1) Appropriations by the general assembly.
- (2) Interest deposited in the fund under subsection (d).
- (3) Money deposited in or transferred to the fund from any other source.

**(d) The treasurer of state shall invest money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.**

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund is continuously appropriated for the purpose of the fund.

**Sec. 3. A local unit may apply to the department for a grant from the fund for an eligible project if the local unit:**

(1) uses a transportation asset management plan approved by the department; and

(2) commits to a local match by using one (1) or more of the following:

(A) Revenue attributable to an increase, after June 30, 2016, in the local unit's motor vehicle excise surtax or wheel tax rate under IC 6-3.5.

(B) Money received by the local unit as a special distribution of local income taxes under IC 6-3.6-9-17.

(C) Money in the local unit's rainy day fund under IC 36-1-8-5.1.

The application must be in the form and manner prescribed by the department.

**Sec. 4. A local unit's application for a grant from the fund must specify the amount of money that the local unit is committing to contribute to the eligible project.**

**Sec. 5. In the evaluation of an application for a grant from the fund, the department shall give preference to projects that are anticipated by the department to have the greatest regional economic significance for the region in which the local unit is located.**

**Sec. 6. If the department approves a grant to a local unit under this chapter, the amount of the grant from the fund is equal to the amount that the local unit commits to contribute to the proposed eligible project.**

**Sec. 7. The department shall allocate at least fifty percent (50%) of the grants to be made in a state fiscal year to local units located in counties having a population of less than fifty thousand (50,000).**

**Sec. 8. The department may adopt guidelines to implement this chapter, including guidelines that establish a maximum amount that any one (1) local unit may receive as a grant.**

SECTION 17. IC 34-28-5-4, AS AMENDED BY P.L.106-2010, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 4. (a) A judgment of up to ten thousand dollars (\$10,000) may be entered for a violation constituting a Class A infraction.

(b) A judgment of up to one thousand dollars (\$1,000) may be entered for a violation constituting a Class B infraction.

(c) Except as provided in subsection (f), a judgment of up to five hundred dollars (\$500) may be entered for a violation constituting a Class C infraction.

(d) A judgment of up to twenty-five dollars (\$25) may be entered for a violation constituting a Class D infraction.

(e) Subject to section 1(i) of this chapter, a judgment:

(1) up to the amount requested in the complaint; and

(2) not exceeding any limitation under IC 36-1-3-8;  
may be entered for an ordinance violation.

(f) Except as provided in subsections (g) and (h), a person who has admitted to a moving violation constituting a Class C infraction, pleaded nolo contendere to a moving violation constituting a Class C infraction, or has been found by a court to have committed a moving violation constituting a Class C infraction may not be required to pay more than the following amounts for the violation:

(1) If, before the appearance date specified in the summons and complaint, the person mails or delivers an admission of the moving violation or a plea of nolo contendere to the moving violation, the person may not be required to pay any amount, except court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50).

(2) If the person admits the moving violation or enters a plea of nolo contendere to the moving violation on the appearance date specified in the summons and complaint, the person may not be required to pay any amount, except court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50).

(3) If the person contests the moving violation in court and is found to have committed the moving violation, the person may not be required to pay any amount, except:

(A) court costs and a judgment that does not exceed thirty-five dollars and fifty cents (\$35.50) if, in the five (5) years before the appearance date specified in the summons and complaint, the person was not found by a court in the county to have committed a moving violation;

(B) court costs and a judgment that does not exceed two hundred fifty dollars and fifty cents (\$250.50) if, in the five (5) years before the appearance date specified in the summons and complaint, the person was found by a court in the county to have committed one (1) moving violation; and

(C) court costs and a judgment that does not exceed five hundred dollars (\$500) if, in the five (5) years before the appearance date specified in the summons and complaint, the person was found by a court in the county to have committed two (2) or more moving violations.

In a proceeding under subdivision (3), the court may require the person to submit an affidavit or sworn testimony concerning whether, in the five (5) years before the appearance date specified in the summons and complaint, the person has been found by a court to have committed one (1) or more moving violations.

(g) The amounts described in subsection (f) are in addition to any amount that a person may be required to pay for attending a defensive driving school program.

(h) This subsection applies only to infraction judgments imposed in Marion County for traffic violations after December 31, 2010. Subsection (f) applies to an infraction judgment described in this subsection. However, a court shall impose a judgment of not less than thirty-five dollars (\$35) for an infraction judgment that is entered in

Marion County. These funds shall be transferred to a dedicated fund in accordance with section 5 of this chapter.

**(i) This subsection applies only to infraction judgments imposed in Clark County for toll violations after January 1, 2017. Subsection (f) applies to an infraction judgment described in this subsection. However, a court shall impose a judgment of not less than thirty-five dollars (\$35) for an infraction judgment that is entered in Clark County. These funds shall be transferred to a dedicated fund in accordance with section 5(f) of this chapter.**

SECTION 18. IC 34-28-5-5, AS AMENDED BY P.L.106-2010, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. (a) A defendant against whom a judgment is entered is liable for costs. Costs are part of the judgment and may not be suspended except under IC 9-30-3-12. Whenever a judgment is entered against a person for the commission of two (2) or more civil violations (infractions or ordinance violations), the court may waive the person's liability for costs for all but one (1) of the violations. This subsection does not apply to judgments entered for violations constituting:

(1) Class D infractions; or

(2) Class C infractions for unlawfully parking in a space reserved for a person with a physical disability under IC 5-16-9-5 or IC 5-16-9-8.

(b) If a judgment is entered:

(1) for a violation constituting:

(A) a Class D infraction; or

(B) a Class C infraction for unlawfully parking in a space reserved for a person with a physical disability under IC 5-16-9-5 or IC 5-16-9-8; or

(2) in favor of the defendant in any case;

the defendant is not liable for costs.

(c) Except for costs, and except as provided in ~~subsection~~ **subsections (e) and (f)** and IC 9-21-5-11(e), the funds collected as judgments for violations of statutes defining infractions shall be deposited in the state general fund.

(d) A judgment may be entered against a defendant under this section or section 4 of this chapter upon a finding by the court that the defendant:

(1) violated:

(A) a statute defining an infraction; or

(B) an ordinance; or

(2) consents to entry of judgment for the plaintiff upon a pleading of nolo contendere for a moving traffic violation.

(e) The funds collected for an infraction judgment described in section 4(h) of this chapter shall be transferred to a dedicated county fund. The money in the dedicated county fund does not revert to the county general fund or state general fund and may be used, after appropriation by the county fiscal body, only for the following purposes:

(1) To pay compensation of commissioners appointed under IC 33-33-49.

(2) To pay costs of the county's guardian ad litem program.

**(f) The funds collected for an infraction judgment described in section 4(i) of this chapter shall be transferred to a dedicated toll revenue fund created as part of a project under IC 8-15.5-1-2(b)(4). The money in the fund does not revert to the county general fund or state general fund and may be used only to pay the cost of operating, maintaining, and repairing the tolling system for a project under IC 8-15.5-1-2(b)(4), including major repairs, replacements, and improvements.**

SECTION 19. IC 35-52-6-24.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 24.7. IC 6-3.5-10-13 defines crimes concerning the municipal motor vehicle license excise surtax.**

SECTION 20. IC 35-52-6-24.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 24.8. IC 6-3.5-11-16 defines crimes concerning the municipal wheel tax.**

SECTION 21. [EFFECTIVE UPON PASSAGE] (a) As used in this SECTION, "task force" refers to the funding Indiana's roads for a stronger, safer tomorrow task force established by subsection (b).

**(b) The funding Indiana's roads for a stronger, safer tomorrow task force is established.**

**(c) The task force consists of the following members:**

**(1) The chairperson of the house of representatives ways and means committee.**

**(2) The chairperson of the senate appropriations committee.**

**(3) The chairperson of the senate tax and fiscal policy committee.**

**(4) The chairperson of the house of representatives roads and transportation committee.**

**(5) The chairperson of the senate homeland security and transportation committee.**

**(6) The director of the office of management and budget.**

**(7) The public finance director of the Indiana finance authority.**

**(8) One (1) member who represents counties and is appointed by the governor after considering the recommendation of the Association of Indiana Counties.**

**(9) One (1) member who represents municipalities and is appointed by the governor after considering the recommendation of the Indiana Association of Cities and Towns.**

**(10) One (1) member appointed by the governor after considering the recommendation of the Build Indiana Council.**

**(11) One (1) member appointed by the governor who is an employee of the Indiana department of transportation.**

**(12) One (1) member appointed by the governor who is a member of the Indiana Motor Truck Association.**

**(13) One (1) member appointed by the governor who**

represents taxpayers.

(14) One (1) member of the general assembly who is a member of the majority party of the house of representatives and is appointed by the speaker of the house of representatives.

(15) One (1) member of the general assembly who is a member of the minority party of the house of representatives and is appointed by the speaker of the house of representatives in consultation with the minority leader of the house of representatives.

(16) One (1) member of the general assembly who is a member of the minority party of the senate and is appointed by the president pro tempore of the senate in consultation with the minority leader of the senate.

(d) The budget committee shall select a member of the task force to serve as the chairperson of the task force.

(e) The task force shall do the following:

(1) Review state highway and major bridge needs.

(2) Verify road and bridge needs at the local level.

(3) Develop a long term plan for state highway and major bridge needs that addresses the ten (10) points described in subsection (g) and:

(A) will achieve the recommended pavement and bridge conditions;

(B) will complete the current statewide priority projects by finishing projects that have been started;

(C) includes Tier 1, 2, and 3 projects; and

(D) using the model developed by the Indiana department of transportation, includes sustainable funding mechanisms for the various components of the plan.

(4) Develop a long term plan for local road and bridge needs.

(f) The long term plan for state highway and major bridge needs must provide a basis for consideration for the state biennial budget enacted for the biennium beginning July 1, 2017.

(g) The long term plan for state highway and major bridge needs must include the following ten (10) points:

(1) Estimates of the costs of major projects, including a study of which projects can be done within current revenue streams and which projects may require additional funding.

(2) The identification of projects for which a public-private partnership, a public-private agreement, or tolling might be viable, with planning to verify and confirm these public-private partnership, public-private agreement, or tolling opportunities.

(3) The identification of resources for annual maintenance need, concentrating first on available user fees and attempting to secure stable and predictable funding sources. This must include a determination of whether additional resources must be pursued and what form of resource is most appropriate for each project.

(4) A review of the state's debt situation and the development



of a plan to maintain a strong financial position for the state. This must include consideration of whether a fee or tax could be associated with the life of a bond for an individual project, with the fee or tax then expiring by law upon payment of the bond.

(5) The evaluation of the state system of taxes, fees, and registration fees, and the equity of payments by different groups of users of transportation assets. This must include an evaluation of the overall reliability over time of the receipt of revenue from these sources.

(6) A review of the fuel tax system, including such concepts as indexing tax rates, changing tax rates, and the appropriate collection points for these taxes.

(7) The ensuring that the projects listed in the plan are priority items that should be carried out, and confirming that these projects bring value to citizens either through access and safety needs or for economic development of Indiana as a whole.

(8) A review of the impact and advisability of dedicating some part of state sales tax to roads and road maintenance.

(9) An analysis of how collective purchasing agreements could be developed to share and reduce costs across the system of state and local governments.

(10) A presentation of the plan and recommendations to the budget committee before January 1, 2017.

(h) The legislative services agency shall provide staff support to the task force.

(i) The meetings of the task force must be held in public as provided under IC 5-14-1.5. However, the task force is permitted to meet in executive session as determined necessary by the chairperson of the task force.

(j) This SECTION expires June 30, 2017.

SECTION 22. [EFFECTIVE JULY 1, 2016] (a) There is appropriated for the state fiscal year beginning July 1, 2016, and ending June 30, 2017, five hundred thousand dollars (\$500,000) from the motor vehicle highway account to the Indiana department of transportation. The funds appropriated under this SECTION shall be used by the local technical assistance program established under IC 8-23-2-5(a)(6) to do the following:

(1) Study issues related to the development and operation by local governments of transportation asset management plans and pavement management plans.

(2) Assist local governments in Indiana in developing and operating transportation asset management plans and pavement management plans.

(b) The calculation of the other distributions to be made from the motor vehicle highway account under IC 8-14-1-3 in the state fiscal year beginning July 1, 2016, and ending June 30, 2017, shall be made after deducting the amount appropriated under this SECTION.

(c) This SECTION expires June 30, 2017.

- 1      **SECTION 23. An emergency is declared for this act.**  
(Reference is to EHB 1001 as reprinted March 1, 2016.)

**Conference Committee Report**  
**on**  
**Engrossed House Bill 1001**

**S**igned by:

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Representative Soliday  
Chairperson

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Senator Kenley

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Representative Forestal

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Senator Tallian

**House Conferees**

**Senate Conferees**